

**SUBJECT: Contractor Requirements (Including Women and Minority Owned Business Outreach) and Suggestions Regarding the Use of Contractors to Complete Work Financed in Full or Part With Office of Community Development (OCD) Funds
Policy Bulletin #7**

EFFECTIVE DATE: March 12, 2001

The following are requirements and suggestions regarding the use of contractors when completing work financed in part or total with OCD funds (federal and state). They will address:

- C Contractor Selection
- C Licensing
- C Contractor's References
- C List of Debarred/Suspended Contractors

Contractor Selection and Women and Minority Owned Business Outreach

The grantee must solicit the participation of contractors for their OCD housing program on a continuous basis. At a minimum, at least once a year the grantee must place a public advertisement for contractor participation in the OCD housing program. The Fair Housing logo must be utilized in this and in all other advertisements pertaining to the grantee's OCD housing program.

Women and Minority Owned Business Outreach

Efforts to encourage minority and female owned business participation in the housing program should be made on a regular basis and documented. Methods of solicitation should include mailings and telephone contacts, with documentation of such activities placed in the file. A list of all contractors (names and addresses) participating in the program must be kept by the grantee. Contractors will be selected for participation in the OCD housing program regardless of race, color, religion, familial status, age, national origin, sex, or disability. A Directory of Women and Minority Owned Businesses may be obtained from MSHDA's Office of Equal Opportunity/Fair Housing (517-373-0327).

Licensing

It is required that all contractors participating in the OCD housing program be licensed by the State of Michigan. Residential builders, and maintenance and alterations contractors are licensed through the Department of Consumer and Industry Services, Licensing Division for Builders (517-241-9254).

Note: Residential Builders are licensed to build a house from the ground up and can do almost all types of repairs (except for electrical, mechanical, and plumbing). Maintenance and alteration contractors can be licensed to do up to 14 separate building activities.

The Michigan Department of Labor, Bureau of Construction Codes, is responsible for licensing electrical, mechanical (heating and air conditioning), and plumbing contractors. The phone numbers for each licensing section are as follows:

- C Electrical (517-241-9320)
- C Mechanical (517-241-9325)
- C Plumbing (517-241-9330)

The grantee must keep a copy of the current license for all contractors who do work or bid for work financed with OCD housing funds. Additionally, the grantee must insure that the contractor is **properly licensed** for the type of work he/she performs or bids to perform.

Contractor's References

In addition to verifying that the contractors are properly licensed, the grantee is encouraged to take additional steps to ensure that each contractor does quality work. The grantee should request that the contractor supply a minimum of three references from local residents who they have done work for, check with the local chamber of commerce and/or check with the state licensing agent to see if any complaints have been filed against the contractor. All references received from contractors should be called by the grantee.

List of Debarred/Suspended Contractors

When procuring services with federal funds, Grantees must check the List of Parties Excluded From Federal Procurement and Non-Procurement Programs. Contractors that are on that list cannot be awarded contracts funded with federal dollars (HOME, CDBG, ESG, etc.). Grantees must check the federal web-site <http://www.arnet.gov/eplis/> to review the current list and ensure that contracts are not awarded to debarred or suspended contractors. If you do not have access to the internet, please call your CD Specialist for assistance.

In addition to the above outlined procedures, the grantee must follow OCD's Conflict Resolution and Mediation policies. Please refer to Policy Bulletin #3. Should you have any questions, contact your Community Development (CD) Specialist or CD staff at (517) 373-1974.